

Market Guide for Freight Audit and Payment Providers

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Supply chain leaders can improve transportation performance, reduce freight costs and increase visibility of freight spend by outsourcing the freight payment and audit services. This research profiles outsourced service providers related to freight audit and payment.

Key Findings

- The automation of freight audit and payment tasks continues to increase. Although mainly used by larger shippers, the opportunity is also strong for smaller shippers that focus less on freight audit and payment. Different modes and different regions add complexity to these processes for freight. This results in more outsourcing to freight payment providers as well as 3PLs.
- Requirement for global freight payment continues to grow, pressuring vendors to offer global freight payment services. Differences in freight payment processes continue between the different regions, which can force companies to use different providers in different regions.
- The vendor landscape continues to be large and sometimes segmented, depending on mode and region. Pricing models can vary significantly between vendors and can result in large total price variation for the same or similar services.

Recommendations

To get the most out of supply chain technology and solutions, supply chain leaders should:

- Consider freight payment systems and outsourced services based on the significant cost savings and efficiency opportunities they present. The larger vendors can provide key insights gathered from their large pool of freight transactions. Smaller shippers can also leverage these solutions as they further automate their transportation processes and as vendor solutions become more widely available.
- Identify the right partner for freight audit and payment services between the different available options: freight payment solution providers, 3PL providers and business process outsourcing companies.

- Think of their payment solution beyond the price of processing and paying invoices. Use freight payment data to provide key insights that will lead to improvement of your procurement and network optimization processes.
- Consider global freight payment capabilities to reduce the number of systems and service providers, and enable more functionality to manage their business processes.

Market Definition

U.S. Versus Europe

The outsourcing of the freight audit and payment function in the U.S. is a well-established practice with many reputable vendors. Many shippers and 3PLs have outsourced the auditing and paying of invoicing to a vendor, and this has resulted in major savings and improved accuracy. The freight payment industry was formed in the U.S. by a series of banks (the National Association of Freight Payment Banks) when the transportation marketplace was heavily regulated. Transportation invoices had to be paid within five days for rail bills and seven days for motor carrier bills.

Freight payment in Europe does not have a regulatory history and is, therefore, less common. Outsourcing freight payment in Europe as a practice is not as well-adopted as in the U.S. There are also additional complexities to consider due to the different rules in the different European countries as well as a lack of consistency in the way carriers invoice. As the European market for these services continues to grow, we have seen European vendors emerge as well as U.S. vendors increasing their geographic scope by opening offices in Europe. Likewise, we have more recently noticed European providers entering the U.S. market.

Similar to Europe, Asia/Pacific is a market that does not have a long history with outsourcing of the freight payment function. So, a lot of education is needed of local shippers. Currently, mostly North American global enterprises with operations in APAC use these vendors for their local transportation invoice processing.

Large Versus Small Shippers

Large shippers continue to consider outsourcing freight payment much more often than small- and midsize shippers. The compelling reasons are the volume of invoices and complexity of the process as well as the different modes and geographies for which bills have to be paid. Especially large global shippers have very different processes in the different regions, which drives complexity in the freight payment function. Furthermore, companies are also subject to the widely different local legislations, such as in China where the finance sector and the movement of money are heavily regulated.

Shippers Versus 3PLs

Shippers vary in how they approach the application of technology to their freight payment needs, but the use of manual processes continues to decline. Shippers use 3PLs for freight payment, freight payment solution providers, their ERP or their TMS to audit and pay bills. 3PLs, on the other

hand, use the freight pay function either embedded within their transportation management system (TMS) or a homegrown payment system or, alternatively, turn to a freight payment solution vendor that is not a bank.

Services Offered by Freight Payment Providers

A freight audit and payment service usually consists of the following services (see Table 1):

Table 1. Freight Audit and Payment Services

	Service
1	Collecting invoices from the carrier
2	Freight invoice auditing (preaudit or postaudit*)
3	Physical payment to the carrier
4	Aggregate billing to the shipper for freight costs incurred
5	Allocation of transportation costs to individual cost centers
6	Detailed reporting for logistics costs and service

* Preaudit relates to auditing the invoices before payment. The carrier is then paid the correct or corrected value as a result of the audit. Post-audit relates freight invoice audits carried out after payment (sometimes within a few months). Post-audit discrepancies discovered can result in automated and manual claims for recovery of payment.

Source: Gartner (June 2017)

The freight payment provider process usually consists of the following:

- Carriers send their invoices to the freight payment provider via electronic data interchange (EDI), file upload on the web or paper freight invoices.
- The provider will then verify the details of the invoice with the bill of lading and obtain a signed proof of delivery.
- The providers will also perform vendor matching, and cost application coding or general ledger coding. Using a freight payment provider should increase the accuracy of a freight invoice, because these services audit for freight rate, freight discount and misapplied accessorial charge, and prevent possible duplication of payment.
- Once the invoice has been checked, the shipper will send a bank wire for payment to the freight payment provider.
- The freight payment service will then pay the freight invoices to the carriers. Many shippers, however, want to keep control over the actual payment to the carrier. While they value

outsourcing the audit part, they keep the freight payment in-house. A portion of shippers and 3PLs seems concerned over freight payment vendor malfeasance.

- Some providers offer carriers the option of having their bill paid on shorter payment terms by reducing the invoice amount. This benefits all parties: The carrier gets paid quicker; the provider has an additional stream of revenue that allows it to charge shippers lower transaction fees; and shippers may attract smaller carriers that cannot handle the typical 30- to 45-day payment terms of large shippers.

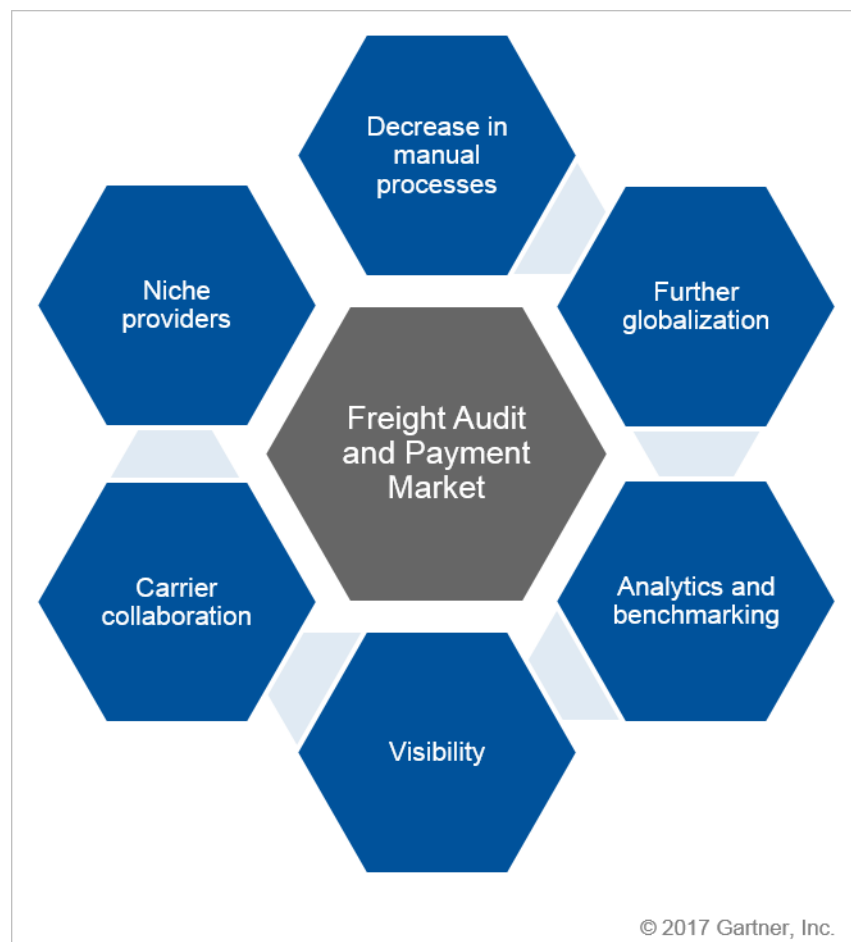
Today's freight payment companies are offering expertise in all modes. These include processing and reporting for all move types, advanced accounting capabilities, commitment to continuous process improvement practices, advanced systems for the most complex transportation infrastructures, business rules, and detailed, accurate business intelligence to support supply chain analysis.

Many freight audit and payment solution providers also offer additional services such as freight accounting (allocation and assignment of the freight expenses), carrier contract review and negotiation, claims processing and others.

Market Direction

Several factors continue to influence the direction the freight audit and payment market is taking, including (see Figure 1):

Figure 1. Factors Impacting the Freight Audit and Payment Market



Source: Gartner (June 2017)

Decrease in manual processes: The percentage of companies using a purely manual process for domestic transportation freight payment is decreasing and is estimated to be around 10% to 15%. This percentage is higher when considering internal transportation. This evolution is due to several factors:

- The increased use of automation
- The increase in outsourcing of transportation to third-party logistics providers (3PLS). In the U.S., 3PLs spend more than \$86 billion annually on transportation, and most 3PLs provide some sort of automated transportation management system or some electronic means for shippers to pay their freight bills or at least audit their freight bill process, according to Armstrong & Associates.¹
- The increase in outsourcing to freight payment providers; companies that had done the invoicing and payments internally are looking more toward outsourcing to gain cost efficiencies.

Gartner notices a smaller discrepancy in costs between outsourced and in-house processes as a consequence of this drop in purely manual processes.

Further globalization: Freight payment services continue to go global. Freight audit and payment services are well-established in the U.S., and are becoming a more common concept in many markets across the world. Shippers are increasingly extending their supply chains into new markets around the globe, and taking their expectations about freight audit and payment along with them. This shift has challenged freight payment service providers to expand their domestic expertise to global markets that may be unfamiliar with the freight payment business model. Gartner notices the further expansion of U.S. vendors into international markets, but also some European vendors such as ControlPay and Interlog Group.

Analytics and benchmarking: Shippers' core requirements for freight audit and payment services have shifted from early rate audits used to just deliver savings and a few reports. Most Freight Audit and Payment solution providers have extensive ability to create a central data warehouse that allows shippers to better manage their global supply chain through rate and shipment analysis as well as benchmark their rates against the industry. More shippers are putting a higher importance on freight spend management. Some vendors, such as Veraction, have actually moved from freight payment to more of a freight spend management solution with a key focus on analytics.

Visibility: Technology has revolutionized freight bill payment, audit and reporting services, especially in providing data visibility. The freight bill payment industry has evolved from a pure settlement service to an information service. Providers are now also offering claims management, carrier contract negotiation, transportation management system (TMS) hosted solutions, managed transportation services and strategic transportation sourcing.

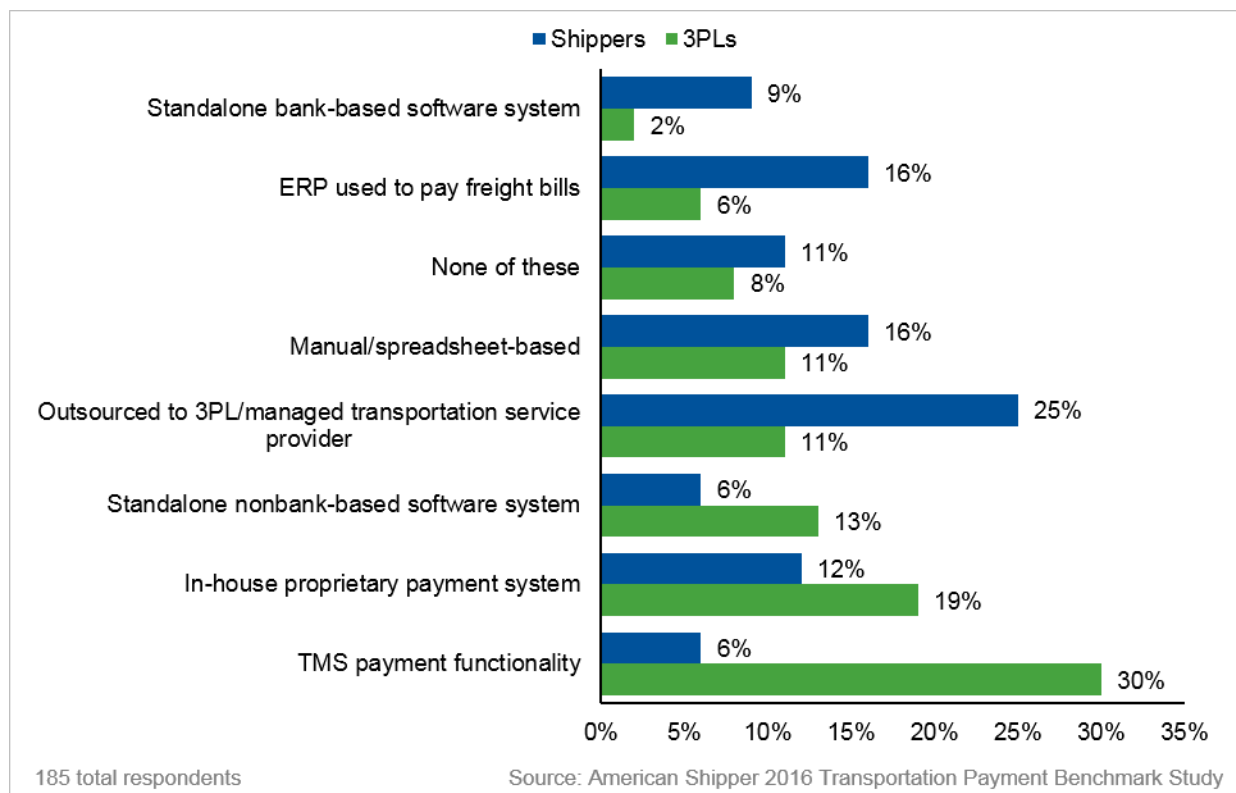
Carrier collaboration: At first glance, it might seem that a business model dedicated to finding errors in carrier invoices that reduces shippers' freight bills would seem to be a thorn in the side of carriers. But, in fact, carriers devote considerable human and IT resources responding to and correcting issues with customer invoices. Identifying and correcting bad data is in everyone's best interest, because it lowers costs and increases customer satisfaction. Some freight audit and payment companies deploy considerable resources on nurturing carrier relationships for this purpose. They maintain departments specifically devoted to interacting with carriers, and some attend carrier conferences where they exchange ideas on how to improve the processes that connect them. Collaboration with carriers takes place both among staff and through digital means. A common approach is a web-based tool where the parties can view and work out freight bill exceptions.

Niche providers: Several firms providing freight payment service specialize in the auditing of small parcel and small package carriers, such as FedEx Express, UPS and DHL Express. These firms can be useful for shippers that predominantly ship high volumes of packages or parcels (for example, e-commerce retailers). In many cases, these providers will take their payment as a portion of savings they discover from incorrect billing or rebates from missed guaranteed service delivery.

Market Analysis

According to the American Shipper 2016 Transportation Payment Benchmark Study,² the number of shippers paying manual or spreadsheet-based freight bills has decreased to 16% and for 3PLs to 11%. Where shippers outsource the freight payment process to 3PLs and/or specialized vendors as the most common method, 3PLs' most commonly use their TMS solutions (30%) or in-house payment solution (19%) for freight payment (see Figure 2).

Figure 2. Transportation Payment Platform



Source: American Shipper 2016 Transportation Payment Benchmark Study

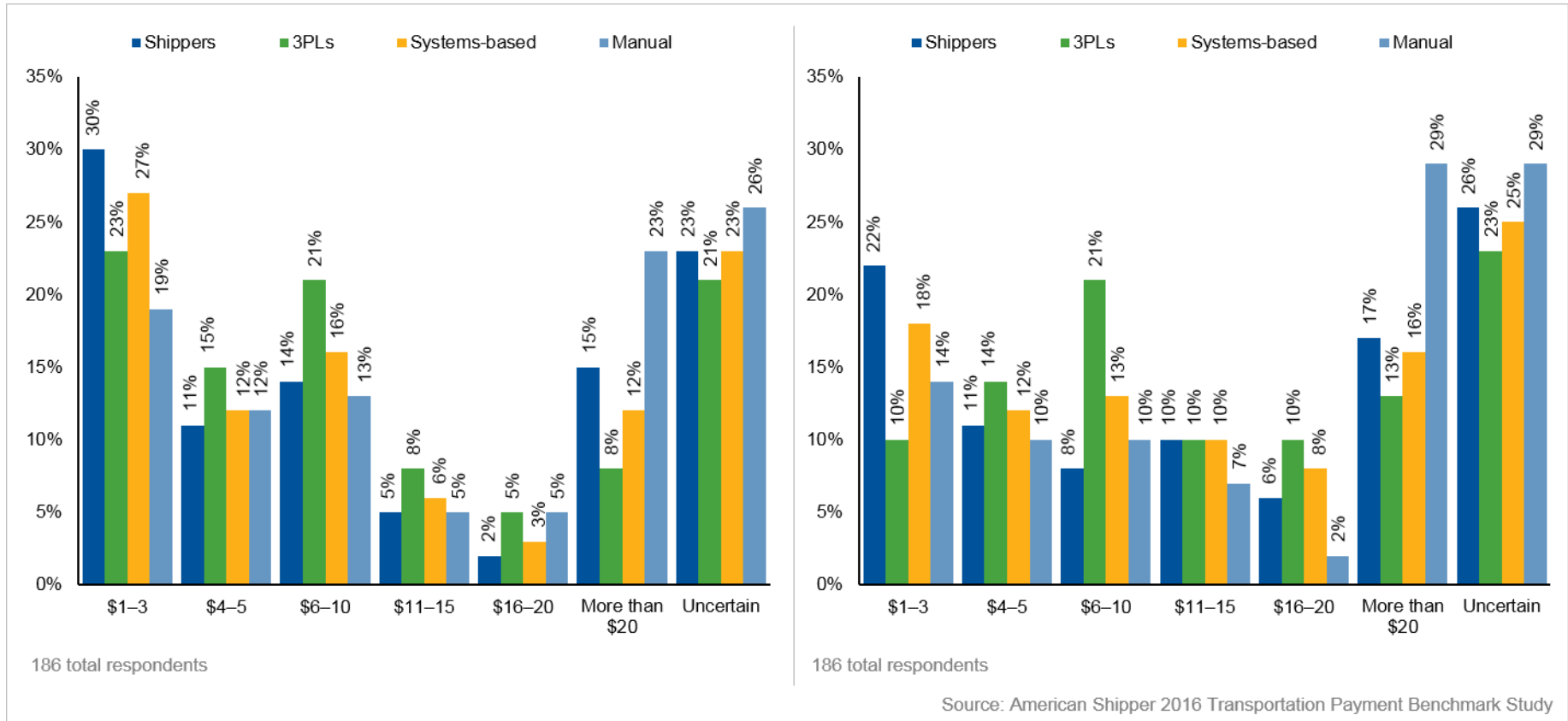
3PLs, and shippers to a lesser extent, have been using their TMS solutions and the automation of shipment costing it provides to bring the process back in-house. The software allows electronic submission and processing of invoices from carriers. When the amount of the invoice falls within a configurable tolerance of the prerated amount, the invoice is cleared to pay by accounting (match-pay). In some cases, shippers are using the prerated shipment advice from their TMS to provide a "clear-to-pay" amount to the accounts payable department in advance (auto-pay). This places the audit function of the payment against invoice on the carrier, and the shipper is left to process the exceptions if and when they are raised by the carriers.

There are several good reasons to outsource freight payment, the most popular of which is the possibility of reduced costs. It costs a large company about \$5 in fully allocated costs to pay one

domestic freight bill (see Figure 3). If a freight bill payment company pays the same bill, the cost to the shipper is about 25% lower. The savings are higher for international freight bills. Add to this another 2% to 5% saved through the reduction in incorrect and/or duplicate freight bills, and the cost cuts can be significant. This holds up for the U.S. and Western Europe, but in certain countries with low-wage environments, it's inexpensive to process freight invoices manually and in-house, so outsourcing may not be cost-effective.

While not every shipper may achieve this much in savings, the information provided by the freight payment solution provider makes these savings possible.

Figure 3. Cost to Process and Pay an Invoice (Domestic and International)



Source: American Shipper 2016 Transportation Payment Benchmark Study

The real value, however, is added through the business intelligence (BI) that a freight bill payment provider generates. Even before the bill is paid, the freight bill auditor's experience, combined with the latest technology, ensures that companies pay the correct rate, including accessorial charges and surcharges. It is essential for companies to know their true cost per shipment at the line-item level.

Post-payment activity can include almost any type of reporting your company wants — for example, routing compliance, or expense by mode, carrier or even product. Because of a provider's broad client base, your freight expenses can be benchmarked against those shipping comparable products, and provide valuable insights as well as segmenting ancillaries from base freight rates.

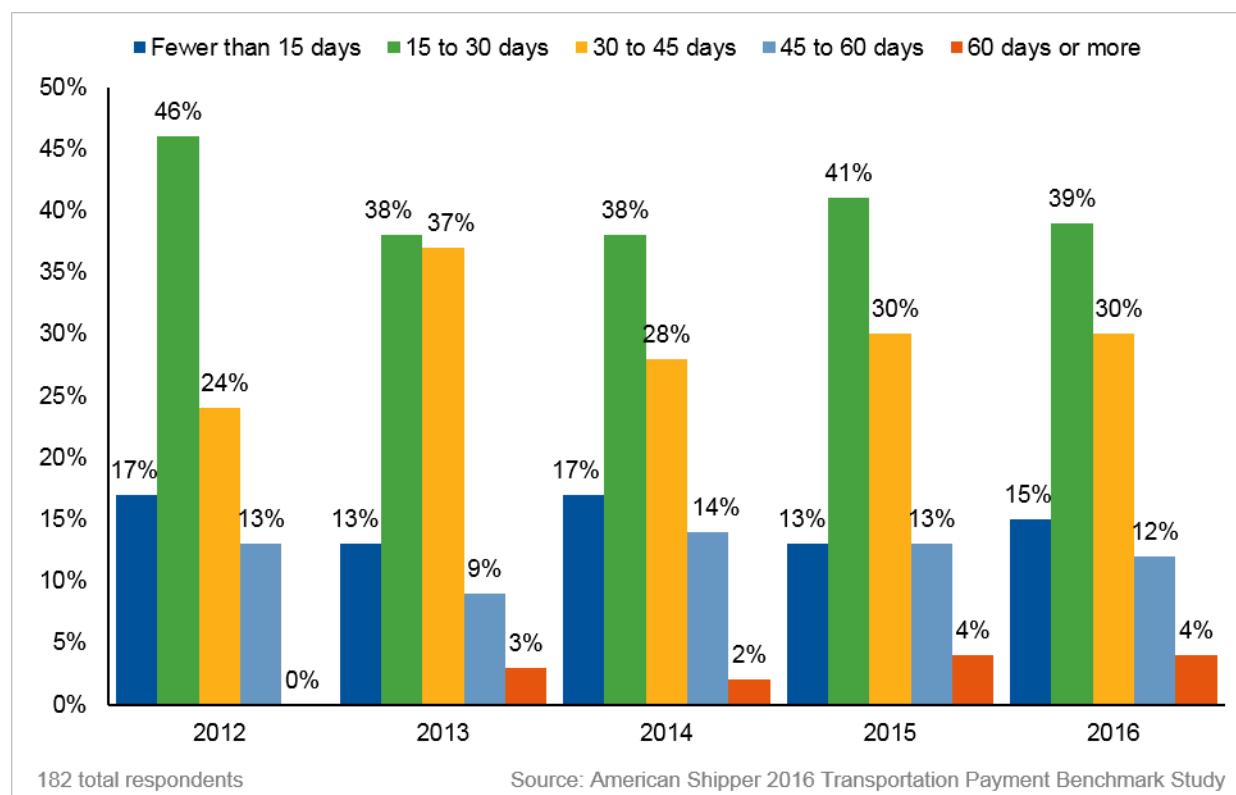
Example 1: A Midwest manufacturer of large equipment replaced its freight audit and payment system with a customized outsourced solution that had a robust BI platform. Providing lane forecasting information to its carriers led to aggressive competition for this business. New, more favorable contracts for this lane reduced annual spend (for that lane alone) by \$5 million.

Example 2: A global consumer products manufacturer was able to reduce annual costs for a single accessorial type by \$2 million through the use of BI for its freight payment. The tool allowed the company to evaluate six months' worth of historical charge information that provided key insights, which led to its cost reduction.

With increasing payment terms in the last few years, an additional value some freight payment providers bring is the ability to pay carriers more quickly. In general, large shippers' payment terms have increased (see Figure 4). Some of the freight payment providers offer early payment as an additional offering to the carrier (for a percentage of the invoice). By using a freight payment provider, both shipper and carrier can improve their cash flows. For smaller carriers, this might give shippers that offer this capability preferred status. This in turn will help shippers in their efforts to solve their issues with carrier capacity. These early payments result in additional revenue for the freight payment providers and lower transaction fees for the shippers. This is considered a win-win for all parties involved and enforces shipper-carrier collaboration.

The issue of payment terms provides less of an opportunity for smaller shippers that typically have to pay within 30 days, and some even 15 days. Nevertheless, when transportation capacity declines and smaller shippers have to depend more on smaller carriers with even shorter payment terms, this type of advanced pay capability from a solution provider can add many advantages.

Figure 4. Average Time Frame to Pay 2012 to 2016



Source: American Shipper 2016 Transportation Payment Benchmark Study

Representative Vendors

The vendors listed in this Market Guide do not imply an exhaustive list. This section is intended to provide more understanding of the market and its offerings.

There are three different types of companies providing freight audit and payment services:

- *Specialized freight audit and payment solution providers* (this is the focus of this Market Guide; the vendors detailed in this Market Guide fall into this category of vendors).
- *SCM BPO providers* providing freight audit and payment as one of their offerings. Supply chain management (SCM) business process outsourcing (BPO) is the outsourcing of one or more supply chain processes to an external service provider. SCM BPO providers use people and technology to perform tasks that would otherwise be performed by internal supply chain professionals. The scope of SCM BPO includes:
 1. Supply chain planning and analytics
 2. Direct material sourcing and procurement
 3. Manufacturing management*

4. Logistics management*

* Excludes physical execution/operations

BPO providers do not compete for stand-alone freight audit and payment deals. Rather, they include it as part of or an extension of a broader SCM BPO or finance and accounting (F&A) BPO deal or contract. The freight audit and payment offering can be found with service offerings such as "order-to-cash," "order management" or "sales and fulfillment" BPO. Some examples of BPO providers offering freight audit and payment are Accenture, Genpact, Infosys and Cognizant.

- 3PLs providing freight audit and payment as one of their logistics services. Freight audit and payment should be offered as an extension of a comprehensive solution for companies that outsource their transportation function to full-service 3PL providers such as C.H. Robinson, NFI, Odyssey, Penske Logistics, Schneider or Transplace. These providers either operate the capability in-house or partner with one of the specialty firms listed here.

This Market Guide only focuses on the first type, the specialized freight audit and payment solution providers.

We have divided the *representative freight audit and payment solution providers* into two categories (see Table 2):

- Leading vendors that have at least \$1 billion in freight under management and a global presence (offices in at least two major regions)
- Other vendors that have less than \$1 billion in freight under management and/or are typically more focused on or located in a single region

* *Since end users are asking for vendors that have a local presence in the respective regions, we have categorized the vendors based on the physical offices in those regions, not on their geographic scope of services.*

Table 2. Vendor Overview With Geographic Presence

	Americas	EMEA	APAC	ROW
Global Providers				
Cass Information Systems	X	X		
ControlPay	X	X		
CTGF	X	X	X	X
CT Logistics	X	X	X	X
CTSI-Global	X	X	X	
Data2Logistics	X	X		
enVista	X	X	X	
Invensis Technologies	X	X	X	
Interlog Services	X	X	X	
nVision Global	X	X	X	X
TranzAct	X	X		
Trax Technologies	X	X	X	
TSi Logistics	X	X		
U.S. Bank Freight Payment	X	X	X	
Veraction	X	X	X	
Regional Providers				
A3 Freight Payment	X			
Acuitive Solutions	X			
BirdDog	X			
Bourque Logistics	X			
Broussard Logistics	X			
Condata Global	X			

	Americas	EMEA	APAC	ROW
Fortigo	X			
Freight Management Inc.	X			
Green Mountain Technology	X			
HubTran	X			
Intelligent Audit	X			
Level One Technologies	X			
National Traffic Service	X			
Nulogx	X			
PayAnyBiz	X			
PayCargo	X			
SSI	X			
TCR	X			
VeriShip	X			
Williams & Associates	X			

* Since end users are asking for vendors that have a local presence in the respective regions, we have categorized the vendors based on the physical offices in those regions, not on their geographic scope of services.

Source: Gartner (June 2017)

Leading Global Freight Audit and Payment Providers

Cass Information Systems

www.cassinformation.com/

Cass Information Systems is the leading provider of invoice management, audit and payment, with over \$40 billion in freight under management. It offers its services for the transportation, utility, waste and telecom industries. Cass' freight audit and payment services provide many global enterprises an outsourced method to reduce and control transportation expenses. Cass is supported by Cass Commercial Bank, a wholly owned subsidiary, providing financial exchange services to the parent organization and its clients. (Focused on the U.S. and EMEA)

ControlPay

www.controlpay.com/

ControlPay, with strong heritage in logistics and roots in the freight forwarding industry, is the largest freight audit provider in Europe as well as a global provider. Besides freight audit and payment, ControlPay offers solutions for logistics visibility, shipment booking, transport tendering, and track and trace. ControlPay serves customers in the automotive, industrial, consumer, pharma and healthcare industries. (Offices in Europe, Ukraine and the U.S.)

CTGF

www.ctglobal-freightaudit.com/

CTGF offers freight and logistics audit services in all global markets and industries. CTGF offers prepayment audit, post payment audit and payment management services. It currently operates in 84 countries, and supports 38 languages and 61 currencies. (U.K. based with offices in Europe, the U.S., South Africa, South America, Asia and Russia)

CT Logistics

www.ctlogistics.com/

CT Logistics is a provider of global freight audit and payment services for all modes, all currencies and all size firms. CT's FreightRater software provides freight rating, freight analysis and TMS. Other services include LTL/TL shipment planning and execution, bid Management, shipment planning and execution software, supply chain visibility, BI reporting and benchmarking, and professional services for consulting. CT Logistics has about 1,000 clients worldwide. (Presence in APAC, EMEA, Latin America, South Africa, the U.S. and Canada)

CTSI-Global

<http://www.ctsi-global.com/>

CTSI-Global offers services including freight audit and payment, business intelligence, and global consulting. It supports 14,000 carriers in all modes, and processes 6 million transactions on a daily basis. It serves customers on a global basis, and processes over \$12 billion in annual freight. CTSI also offers a Transportation Management System (TMS) (SaaS) and Benchmarking & Contract Negotiation Services to its customers. (Offices in the U.S., APAC and EMEA)

Data2Logistics

www.data2logistics.com/

Data2Logistics offers freight bill audit, bill processing and payment services. It also offers information management with its Data2Inform solution, which provides reports and web-based querying tools that give the customer the ability to analyze and improve their business processes.

Data2Logistics supports clients on a global basis as their single source for processing all modes of transportation. (U.S. based with an office in the Netherlands)

enVista

www.envistacorp.com/

enVista offers global freight audit and payment processing for global transport, global express (parcel), global ocean and global freight forwarders on a single global technology platform. It audits over 2,000 carriers, in 25 countries, in 14 languages and 168 currencies. Other services offered are carrier contract analysis and negotiation, managed operations, strategy consulting, BI, fleet solutions, and vendor management. enVista focuses on midmarket and large global organizations primarily in the retail, manufacturing, consumer goods, 3PL, media and publishing, food and beverage, healthcare and nonprofit sectors. (Based in the U.S. and U.K., with an office in India)

Invensis Technologies

www.invensis.net/

Invensis Technologies is an IT business process outsourcing (BPO) service provider working with clients around the world since 2000. The company offers freight bill audit and payment processing services for all modes. Besides transportation, it also offers its services for healthcare, insurance and many other industries. (U.S. based with offices in the U.K., Australia and India)

Interlog Services

www.interlogservices.com/

Interlog has been offering outsourced freight invoice audit and payment in Europe since 1999. In 2015, it acquired Pro-Log, which is U.S. based. InterLog offers freight invoices audit and payment for all transportation types, logistics operations and supply chain solutions, including a TMS and VMI solution. Interlog is a global company that manages over €1.1 billion of freight across 528 client locations in 20 countries. Interlog has offices in France, the U.S., India and Portugal, and will soon open an office in China and Brazil.

nVision Global

<http://www.nvisionglobal.com/>

nVision Global is a global freight audit, payment and logistics management solutions services and technology provider. It provides freight payment solutions as well as information management services through a single global data warehouse. nVision Global supports 10,000 transportation providers, processes 100 million transactions annually from over 190 countries and manages \$5.2 billion in annual freight spend. (Offices in the U.S., Costa Rica, Europe, India and China)

Trax Technologies

www.traxtech.com/

Trax Technologies provides cloud-based solutions and services to automate and manage invoice auditing and payment processing for buyers and sellers of logistics services. The Trax platform enables companies to optimize supply chain performance through greater visibility into their logistics ecosystem and predictive analytics, based on over 1.2 billion logistics transactions amounting to \$7 Billion from all industries, modes and countries. Trax operates on a global scale. (Offices in the U.S., Latin America, Asia and Europe)

U.S. Bank Freight Payment

www.usbpayment.com/transportation-solutions

U.S. Bank Freight Payment processes freight invoices for large corporations and government agencies around the world. U.S. Bank acquired several providers including Elavon and Syncada (formerly known as PowerTrack). The solution lets shippers and carriers manage global freight audit and payment and audit for all transportation modes with a single solution. (U.S. based with offices around the world)

Veraction

www.veraction.com/

Veraction provides freight audit and transportation spend management solutions that include data management, audit and compliance, cost allocation, payment, and spend analytics including variance analysis. Veraction processes EDI and paper invoices globally for all modes of transportation. Veraction manages over \$4 billion in annual transportation spend. (U.S. based with offices in Europe and Asia)

Other Freight Audit and Payment Vendors

A3 Freight Payment

www.a3freightpayment.com/

A3 Freight Payment provides managed, customized freight payment solutions to large volume shippers that automate transportation payables, ensure accurate billing, integrate advanced payment options, and provide detailed reporting for supply chain and finance professionals. Some of its customers include GE, Boeing, Apple, Honeywell, Texas Instruments and Philips. (U.S. based)

Acuitive Solutions

www.acuitivesolutions.com/

Acuitive Solutions is a privately held, cloud-based supply chain software company that provides multimodal e-procurement and logistics payment process automation solutions. Acuitive Solutions serves leading companies in the home center, premium fashion, retail, home and office décor, and apparel markets. Customers include Ralph Lauren and Jo-Ann Fabric and Craft Stores. (U.S. based)

BirdDog (now part of Transportation Insight)

www.birddog.com/

BirdDog is a provider of transportation spend management services for parcel solutions. BirdDog serves more than 500 shippers with its parcel logistics optimization, auditing of parcel shipping invoices and shipping analytics. In 2015, BirdDog was acquired by Transportation Insight, a leading global third-party logistics provider. (U.S. based)

Bourque Logistics

www.bourquelogistics.com/

Bourque Logistics records and maintains accurate freight rate structures for the modes of rail, truck, less than truckload (LTL) and marine. Using RateServer and TRANSPay, it can help streamline companies' freight management and payment processes. Bourque Logistics serves the refining, chemical, mineral and agricultural industries. (U.S. based)

Broussard Logistics

www.broussardlogistics.com/

Broussard Logistics provides logistics technology services to its clients to reduce transportation costs. It offers freight bill audit and payment services as well as transportation management software, carrier rate negotiations, inbound freight management, parcel service failure refunds, postaudit, and freight claims management. Broussard Logistics manages \$1 billion in transportation expense for more than 1,000 companies in the manufacturing, retail, distribution and services industries. (U.S. based)

Condata Global

www.condataglobal.com/

Condata Global focuses on postaudit of paid freight transportation bills and electronic reporting capabilities. Condata Global provides expertise in all transportation modes, including international, and audits of intra-Mexico and intra-Europe shipments. The majority of Condata Global customers are Fortune 1000 companies. (U.S. based)

Fortigo

www.fortigo.com/

Fortigo automates, optimizes and audits logistics decisions. The company offers the Fortigo Freight Audit application. Industries served are the airline, road carrier and 3PL, high-tech, retail, and distribution industries. Customers include American Airlines Group, United, Dell and Ceva Logistics. (U.S. based)

Freight Management Inc. (FMI)

<http://freightmgmt.com/>

FMI is a full-service logistics company with data management and reporting capabilities. The company provides logistics management, including freight audit and payment services, and also offers local, national and global solutions that reduce costs while streamlining operations. (U.S. based)

Green Mountain Technology (GMT)

www.greenmountaintechnology.com/gmt/

Green Mountain Technology offers a Parcel Spend Management solution that combines parcel invoice audit and payment automation capabilities with spend analytics. The company offers Parcel Spend Management to large parcel shippers such as QVC, Pfizer, General Motors, Toys"R"Us, AT&T, Barnes & Noble.com, Abercrombie & Fitch, Costco Wholesale and Kohl's. (U.S. based)

HubTran

www.hubtran.com/

HubTran, launched in 2015, offers back-office automation and document administration for transportation companies. HubTran can recognize, sort and organize transportation documents that include bills of lading, proof of delivery, invoices and other supporting documents. HubTran offers a cloud-based solution that audits incoming invoices and presents the bill for payment approval. HubTran partners with TMS solutions including MercuryGate International and Aljex. HubTran works with large and small customers in the U.S. (U.S. based)

Intelligent Audit

www.intelligentaudit.com/

Intelligent Audit started as a small parcel auditing solution. Currently, it offers global, all-mode transportation audit, recovery, freight payment and business intelligence reporting solutions. Intelligent Audit serves 2,000 clients across dozens of industries. (U.S. based)

Level One Technologies (Epay Manager)

www.epaymanager.com/

Epay Manager is an electronic payment system developed by Level One Technologies. The system was designed for the transportation industry to deliver electronic payment and document imaging solutions to shippers, carriers and 3PL providers. (U.S. based)

National Traffic Service

www.nattraffic.com

National Traffic Service offers freight audit and freight bill payment auditing for all modes. It processes over 40 million freight bills representing over \$2 billion in freight expenses from a wide range of shippers, including the federal government. National Traffic Service also audits Canadian transportation invoices and international shipments. (U.S. based)

Nulogx

www.nulogx.com/

Nulogx is the largest freight audit operation in Canada. It offers audit and analysis, preaudit, current-audit, payment, TMS-hosted solutions, managed transportation services and strategic transportation sourcing. (Canada based)

PayAnyBiz

www.payanybiz.com/

PayAnyBiz offers a financial settlement platform that provides accelerated cash-flow options and automates the processing of financial transactions among companies. The PayAnyBiz system is based on allowing payers and payees to transact quickly via electronic check, credit card or ACH through a user interface designed to be easy to navigate. PayAnyBiz also offers credit to qualified users to allow service providers to get paid early and let payers keep hold of cash longer.

PayCargo

www.paycargo.com/

PayCargo provides shippers and carriers with an online freight payment solution for payables and receivables. The PayCargo System gives shippers the opportunity to establish freight PayCargo Credit and eliminate the time constraints related to payment. With PayCargo Credit, carriers can boost their businesses without assuming the risks associated with extending credit. (U.S. based)

SSI

<http://ssui.com/>

SSI performs a comprehensive transportation audit of all charges and guaranteed services for any mode of transportation on a global scale. It offers freight payment, invoice processing, cost accounting, BI and customized services. SSI offers cloud-based business analytics — predictive and prescriptive analytics relative to freight activity and costs. SSI handles around \$3 billion in

freight. Although SSI currently only has offices in the U.S., it is planning to open an office in Australia in Q1 of 2018. (U.S. based)

Transportation Cost Recovery (TCR)

www.tcrecovery.com

TCR is a provider of parcel audit, freight payment, freight audit and transportation management services, including tariff and contract negotiations. TCR's freight payment services provide corporations an outsourced method to reduce and control their transportation expenses. (U.S. based)

TranzAct

www.tranzact.com/

TranzAct offers an integrated global freight payment solution to provide shippers of all modes with freight audit and payment, reporting and TMS applications, rate negotiation, contract development, consulting, and analysis. (U.S. based with office in Europe)

TSi Logistics

www.tsilogistics.com/

TSi Logistics is a 3PL company offering global capabilities for freight bill audit and payment, loss and damage claims processing, and vendor compliance. TSi provides auditing and payment of freight bills on any transportation movements regardless of the origin or destination on a freight bill. (U.S. based with office in Europe)

VeriShip

www.veriship.com/

VeriShip provides solutions for freight audit, reporting and optimization for parcel. It currently serves 3,300 clients representing \$1.6 billion dollars in annual volume audit. (U.S. based)

Williams & Associates

<http://waionline.com/s1/>

Williams & Associates is a provider of freight payment and management reporting, EDI freight auditing and payment, claims management, and freight reporting and reports. Its client base includes several Fortune 100 companies as well as many small firms. (U.S. based)

Market Recommendations

High-volume shippers and shippers still performing freight auditing and payment processes in a manual fashion should evaluate and consider outsourcing their freight audit and payment processes. These solutions could bring significant cost savings and efficiency opportunities. Although smaller shippers are only half as likely to outsource their freight audit and payment processes, they also are starting to leverage these solutions as they further automate their transportation processes and as vendor solutions become more widely available.

Identify the different types of providers in the markets (specialized freight audit and payment solution providers, 3PLs and BPOs) and understand which offering fits best with your company's approach to outsourcing of processes and services. Also, identify the specific capabilities of the provider for the geography and mode of transportation in scope.

Shippers should think of their audit and payment solution beyond the price of processing and paying invoices. Use freight audit and payment data to provide key insights that will lead to improvement of your procurement and network optimization processes.

Global shippers should consider global freight audit and payment capabilities to reduce the number of systems and service providers, and enable more functionality to manage their business processes.

Gartner Recommended Reading

Some documents may not be available as part of your current Gartner subscription.

"Supply Chain Brief: Selecting a Global Freight Audit and Payment Provider"

"Magic Quadrant for Transportation Management Systems"

"Key Considerations for Supply Chain Leaders Evaluating Transportation Management Systems"

"Growing Reliance on Outsourcing Warrants a Change in Logistics Management"

Evidence

¹ A.M. Field, "[Startups, 3PLs Improving Freight Payment Efficiency](#)," the Journal of Commerce (JOC), 25 March 2016.

² The figures in this research are based on a survey done by American Shipper in 2016. American Shipper benchmarked more than 250 payers (shippers and 3PL providers) and payees (3PLs and carriers) on their domestic and international transportation invoice and payment practices for all modes.

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